

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2071 - HB 1941

February 27, 2014

SUMMARY OF BILL: Adds requirements to the transactions between scrap metal dealers and sellers. Prior to purchasing scrap metal from a seller, if such seller is not an employee or agent of a business, the dealer must:

- Photograph the metal being purchased and include the photograph with the transaction records; and
- Sign a statement that the seller is the owner of the scrap metal; or
- If the seller is not the owner of the scrap metal, the dealer must:
 - Sign a statement that the seller is authorized to sell the scrap metal on behalf of the owner; and
 - Prove the name, address and telephone number of the owner.

Requires the time of a transaction to be recorded, regardless of whether the seller is an employee or agent of a business. Prohibits a dealer from processing any scrap metal for a period of 48 hours from the date and time of purchase. "Process" means to sell, transfer, ship, shred, melt, cut or otherwise alter scrap metal.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Division of Regulatory Boards, this will have no significant fiscal impact upon the Scrap Metal Registration Program.
- Pursuant to Tenn. Code Ann. §4-29-121, all regulatory boards are required to be self-supporting over a two-year period. The Scrap Metals Registration Program had closing balances of \$12,069 in FY11-12, \$92,056 in FY12-13, and a closing reserve balance of \$318,736 on June 30, 2013.

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IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumptions:

- The bill places additional requirements on scrap metal dealers.
- It is assumed that the requirements will not significantly affect the current number of transactions between dealers and sellers of scrap metal.
- Any impact is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

/jdb